



FEDERAL AID TO EDUCATION: ITS IMPACT ON ARIZONA

by

LOUIS S. MEYER,
Bureau of Government Research
Arizona State University

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ARIZONA STATE UNIVERSITY • TEMPE, ARIZONA

Research Study No. 5

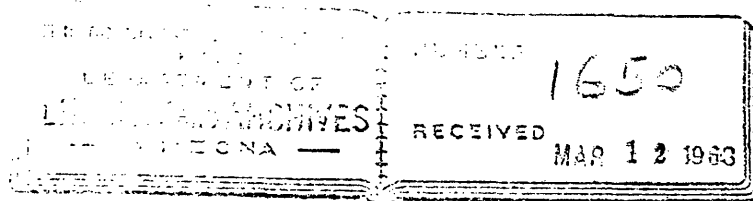
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FOREWORD

Many readers will undoubtedly be surprised to learn that Federal educational grants-in-aid pay already about ten percent of the educational bill in Arizona, and that the Federal monies, just in the programs Mr. Meyer covers, equal more than \$11.5 million. These facts become even more astounding if we realize that Federal expenditures in the form of research grants, G. I. support, low cost loans, etc., comprise another large share of the total amount expended on education, and are not included within the \$11.5 million figure. Several other facts are to be noted, or interpolated from Mr. Meyer's study.

Despite the fact that education has been, and is, primarily a state and local function, the Federal government has been supporting education almost from its very inception; in fact, large grants were made by the government under the Articles of Confederation in 1785. From the beginning of our country until about the time of the closing of the frontier in 1890, the Federal government made most of its grants in the most surplus form of currency it had, namely, land; after 1890, it turned more and more to grants in money or kind.

Grants made in the land-giving period, 1785-1890, were, with one major exception, of a general type; that is, in support of education in general. The one major exception was the Morrill Act of 1862 which established the land grant colleges for the study of the agricultural and mechanical arts. After 1890, in the money era, grants have nearly all been for specific purposes: agricultural education, vocational education, vocational rehabilitation, Indian education, school lunches. Only the aid to impacted areas bills cover general education, and these are limited to specific localities.

In the spring of 1961, Professor Morton Grodzins of the University of Chicago described the allocation of functions among the Federal, state and local governments as a "marble cake" arrangement. Mr. Meyer's study amply supports Professor Grodzins' contention with regards to the educational function. At the same time, however, it does not attempt to assess the second half of Grodzins' statement that the "marble cake" arrangement is both natural and good. There are many questions about Federal aid that are not answered; viz., the effect of Federal aid on the control of the school system and states' rights. Mr. Meyer's study instead is a description of the situation as it is, and how it became that way.

The Bureau plans to follow up this study on Federal grants to education in Arizona with another study covering the remaining grant programs to the state. Education was singled out because of its overriding importance as the largest single function performed by government in Arizona, in terms of personnel employed, money spent, and clientele served. Education has been marked for special attention, too, because it is quite properly the subject of the most attention as the foundation stone of a democratic society.

Bruce B. Mason
Director
Bureau of Government Research

PREFACE

This study has been written in the hope that it will shed some light on a very complex situation. The state of Arizona is beset with political opinions that have had a tendency to direct many operations of the government of the state. The question of Federal grants-in-aid and Federal aid in general have been grossly misunderstood in many quarters, principally by those who do not take the time to delve into the many basic issues and policies which are of utmost importance in the operation of the Federal grant programs. In many cases it is almost impossible to make a thorough study of the many laws which go to make up these programs. Time simply does not permit such an arduous task. Likewise, in many instances the average lay individual would be unable to comprehend a considerable amount of the legal wordage.

There is little doubt that some of the material presented will be criticised as partially presented. I have attempted to refrain from presenting a subjective study; however, there are probably times when personal feelings may have injected themselves into the study. This has been completely unintentional. At those times when suggestions have been made it has been done in an objective manner, taking into consideration the feelings of the State department personnel involved.

To begin to thank the many kind persons who gave their time to answer the multitude of questions which I presented would be virtually impossible. I am gratefully indebted in particular, however, to W. W. (Skipper) Dick, Superintendent of Public Instruction; Gus W. Harrell, Director of Research and Finance, Office of State Department of Public Instruction; Representative L. Alton Riggs of the House Education Committee and Majority Leader Bill Stephens of the Arizona House of Representatives. Their time, assistance, and numerous suggestions were of invaluable aid in compiling the vast array of statistics included. Dr. Raymond Uhl of the Political Science Department of Arizona State University has had the kindness to spend a great deal of time in reading the manuscript and offering many constructive criticisms. My thanks for secretarial help go to Miss Carol Dandy of the Bureau of Government Research at Arizona State University.

Finally I wish to express my appreciation to Dr. Bruce Mason, Director of the Bureau of Government Research, Arizona State University, for overlooking the occasional neglect of Departmental duties for which I am responsible so that this study could be completed.

Louis S. Meyer

FEDERAL AID TO EDUCATION— ITS IMPACT ON ARIZONA

INTRODUCTION

Few political campaigns have taken place in the past which have not had the issue of "States' Rights" as one of the major points of contention. Fundamentally the citizen is asked to re-examine the position of the several states and what the role of states should be in relation to the Federal government. Controversies in this realm of government have occurred and recurred since the days of the Codfisheries Act in 1792.

In recent years this relationship of the Federal government to the states has become more and more acute due to increased Federal grant-in-aid programs. Even though these grants have been directly interwoven with the fiscal structures of the states for over one hundred years, it has been only in the last half dozen or so years that any comprehensive study and analysis has been made to examine the impact of these programs. More specifically, the question is being raised as to whether these grants-in-aid are destroying the state governments and to what extent the theory of "States' Rights" is losing its significance.

To date, extensive reports have been written on virtually 75 per cent of the states. These reports are concerned with general financial aspects of the state, the impact of these programs on the governor, legislature, political parties, state-local relations and local government itself. It is easily seen how enmeshed the constitutional powers of the national and state governments are. This is as true with Arizona as it is with any of the other commonwealths.

In the field of education most, if not all, of the cooperative projects have at one time or another been tinged with the idea of "control." At the same time this "control" aspect has been used argumentatively to illustrate what type of a threat these programs are to state and local autonomy. However, for the most part these programs, over the many years of their existence, have contributed significantly to needs in areas of education not adequately cared for by local initiative. The results from state to state have been varying. Some states with modest grants in federal funds have done an excellent job, while in other states, with much more financial aid, the job has left much to be desired.

To conclude that all the educational aid programs cease with cooperation with the states would be improper. A great deal of the money is used through other than state channels alone. Independent agencies, governmental departments, individual persons, institutions conducting research and many more areas cooperate in the expansive educational aid program.

This study is intended to show the extent to which Federal aid and grants-in-aid have become a part of the fiscal structure of the state government of Arizona and what impact, if any, these aid programs have had upon the State generally. For the sake of clarity to the reader there are two terms applicable, federal aid funds and federal grants-in-aid. Both apply to this study and shall be used in a coalescent manner since detailing every dollar from this or that particular fund would be needless and time consuming. Suffice it to say that according to the State Auditor's report for 1958-1959 slightly over \$47.5 million was received by the state in Federal grants of which \$11.5 million were for educational support, whereas the **Annual Report of the Secretary of the Treasury** for the same year cites expenditures for Federal aid programs in the amount of \$88.2 million. In the main the latter figure includes funds for programs which are in the broad category of Federal aid, but not necessarily a grant-in-aid program. We shall be concerned with the larger figure that includes the smaller total. In this way, it is felt a more comprehensive picture is presented for a fuller understanding of what this financial aid means to the State.

I

NINETEENTH AND EARLY TWENTIETH CENTURY PROGRAMS IN EFFECT TODAY

GENERAL HISTORICAL DEVELOPMENT

The situation as presented today with regard to the Federal government in education can not be based simply and concisely on one or two bills enacted by Congress at some point in the past. It must be understood that a gradual and increasing development has taken place, originating as far back as the days of the Articles of Confederation, 1785.¹ Since that date, and in different ways, the growth of Federal participation in the field of education has gradually evolved. There are, no doubt, many divergent groups who have supported or resisted this growth for one reason or another, but in the main the feeling has persisted among legislators and presidents for the past one hundred years that the great and basic purpose of popular education is to enlighten the people. By the terms of the Ordinance of 1785 the Federal government reserved 77,500,000 acres of land for common school education in the United States; an additional 21,000,000 acres were later reserved in Alaska.² Later grants of more land of various kinds actually used for schools added 76,800,000 more acres and brought the total to 154,000,000 acres.³

Aside from a few grants of land and financial aid for educational purposes, large scale grants diminished during the mid-nineteenth century until the passage of the Morrill Act of 1862. Originally passed in 1859, the bill was vetoed by President Buchanan, reintroduced at the height of the Civil War and signed by President Lincoln. The Morrill Act was fathered by Senator Justin Morrill of Vermont, a staunch believer in popular education and to him must go much of the credit for the creation of what have since become perhaps our greatest public universities. Under this act the Federal government eventually granted 11,000,367 acres of Federal land to the states for the purpose of establishing agricultural and mechanical arts schools.

The plan of distribution of land under the Morrill Act called for 30,000 acres for each senator and representative in Congress "under the census of eighteen hundred and sixty."⁴ In those states which had insufficient Federal lands scrip was given, but in either case it was prescribed that the grants were to be converted into endowments for the support of the colleges, just as the curriculum was laid down in definite terms.⁵ To those familiar with the military aspects of the Civil War it is not difficult to understand why military science was a course included under the terms of the act. The early years of the War showed great incompetencies on the part of the Union army, and this has been attributed to

1. The Ohio Admittance Act of 1802 provided for the setting aside of Lot #16 of each township for the maintenance of public schools within that township. This was increased to Lots #16 and 36 in 1848, and by 1910 each of the last three States admitted to the Union were to receive sections 2, 16, 32 and 36.

2. Julia E. Johnsen, *Federal Aid for Education* (New York: The H. W. Wilson Co., 1941), p. 10.

3. *Ibid.* Comparatively speaking this is 240,625 square miles. The State of Arizona has 113,909 square miles.

4. 12 Stat. 1862 503.

5. 12 Stat. 1862 504.

a great degree by the inability of soldiers to become leading officers. Also, it should be remembered that the nation was experiencing a period of increased agricultural and industrial expansion and the need for more and better educational development in these fields was becoming important to the country's growth.

In 1890 the Second Morrill Act was passed by Congress which was actually supplementary legislation to the act of 1862, except that in the 1890 bill direct annual financial grants were to be given to the states; these grants being a portion of the proceeds from the sale of public lands. If the sale of these lands was insufficient to cover the provided payments then the amount specified was to be paid by the United States.⁶ In addition, more precise and rigid provisions were included for the curriculum and use of funds.⁷

Three years prior to the enactment of the Second Morrill Act Congress initiated a new federally aided service; investigation and experimentation in agricultural education. This service, provided through the passage of the Hatch Act of 1887, introduced a system of annual financial payments to be made to the states and based on the principle of equal allotments.⁸ The act has been administered through the Department of Agriculture and has provided agricultural education on a scientific basis.

Administratively, the act brought about a greater degree of regulation than the Morrill Act of 1862,⁹ and this subsequently showed up in succeeding pieces of legislation designed to aid education. Section 1 of the Hatch Act stipulated that agricultural experiment stations established under the act should be under the direction of the land-grant institutions as provided under the Morrill Act of 1862. The restrictions and procedures, financially and legally, were extended in scope to the point where Federal funds may be withheld under certain conditions.¹⁰ Supplementary legislation was passed in 1906 and 1925 under the Adams and Purnell Acts. These, in effect, were Federal aid extensions for those experiment stations operating under the Hatch Act.¹¹

Finally, mention should be made of the Nelson Amendment of 1907, supplementary legislation to the Morrill Acts, and in later years, during the depression, of the Federal Emergency Relief Administration and the National Youth Administration. The latter two programs concentrated mainly in providing work for college students and teachers as well as conducting classes in a multitude of subjects up to the college level.

In 1914 Congress enacted another of the major agricultural aid bills under the title of the Smith-Lever Act. This legislation provided for agricultural extension work in cooperation with the states, and like the Hatch Act was to be administered by those institutions established as land-grant colleges under the Morrill Act of 1862.¹² It should be pointed out that financial provisions followed those laid down in the State Marine School Act of 1911 when "matching" funds were stipulated as a requirement for participation in the program.¹³ It was through the provisions of this act that the Farm and Home Bureau was set up, administered in local areas by the county agents. Since 1914 numerous amend-

6. 26 Stat. 1890 417, 34 Stat. 1906 1281.

7. 26 Stat. 1890 418.

8. 24 Stat. 1887 441.

9. *Ibid.*

10. *Ibid.*, S. 3, 5 and 6.

11. 34 Stat. 1906 63, S. 1, and 43 Stat. 1925 970, S. 1.

12. David Spence Mill and William Alfred Fisher, *Federal Relations to Education*, Pt. II: *Basic Facts*, A Report of the National Advisory Committee on Education (Washington: The Committee, 1931), p. 50.

13. *Ibid.*, p. 51.

ments have been made to the Smith-Lever Act, namely the Capper-Ketchum Act of 1928 and other supplementary appropriations in 1929-1930. Summarily it can be said that agricultural extension legislation has been well accepted and intelligently utilized. Julia E. Johnsen, writing on Federal aid to education, states that: "This program has probably developed into the best organized, most intelligent and most effective large-scale program for adult education that has ever been tried."¹⁴

Before proceeding to elaborate to what extent Arizona has become a part of this vast Federal aid picture, relative to the above enumerated acts, it might be well to clarify how the state assumed the position to be able to partake of this aid.

Prior to the admittance of many states to the Union an Enabling Act is passed by Congress authorizing the voters of the territory in question to call a convention to frame their constitution. If the people of the territory comply with the conditions as set forth by Congress a resolution is then passed by Congress which declares the territory to be a state and admitted to the Union. Though admittance was delayed for almost two years due to the required compliance of certain stipulations, Arizona followed this procedure¹⁵. Arizona was admitted in 1912 as a state under the terms of the Enabling Act which earlier admitted New Mexico, that of June 20, 1910. It is interesting to note that between 1802 when Ohio was admitted and 1910 when the Arizona Enabling Act was drawn up a great multitude of provisions had been added for the protection of Federal grants or subsidies for education.

Sections 19-34 of the Enabling Act pertain to Arizona and set forth the conditions for the admission of Arizona to statehood and for granting vast areas of land. Included in the Enabling Act were provisions for public schools, grants of land for the common schools, University, school for the blind, normal schools, agricultural and mechanical colleges, and military institutes. In all cases safeguarding provisions were quite detailed to assure compliance with the Act. Likewise, at later dates, the Arizona Legislature enacted legislation to accept the provisions of the Morrill Act, Smith-Lever Act and the Smith-Hughes Act.¹⁶ This act of assent, requirement of which is found in the Smith-Lever Act,¹⁷ acceded to the various stipulations and requirements of the Federal grants.

UNIVERSITY OF ARIZONA

Compared to other programs in the field of Federal aid to education which shall be discussed presently, the extent of aid to land-grant colleges is on a much smaller scale. The original Morrill Act established a system of land grants as endowments, with annual appropriations later made a part of the program.¹⁸ At the present time two sums of money are distributed to the states; one sum of approximately \$70,000 per state per year and a second expenditure distributed to the states on the basis of population. In Arizona the land-grant college is the University of Arizona at Tucson and in 1956-1957 under the provisions of the Morrill Act, received \$77,477.26.¹⁹ No matching funds are required for this grant, but there is a stipulation that the monies must not be used for salaries for administrative officers, incompetent instructors, researchers, etc. In 1957 the

14. Julia E. Johnsen, *op. cit.*, p. 12.

15. President Taft vetoed Arizona's request due to a provision relative to the recall of judges.

16. Laws of Arizona, 1915, Ch. 25, p. 59; Laws of Arizona, 1917, Ch. 44, p. 58.

17. 38 Stat. 1914 373, S. 3.

18. By terms of the Second Morrill Act of 1890.

19. U.S., Department of Health, Education and Welfare, Office of Education, *Statistics of Federal Land-Grant Colleges and Universities: Year Ended June 30, 1957* (Washington: U.S. Government Printing Office, 1957), Table 21, p. 92.

University of Arizona had 206 members of its faculty receiving aid from the Morrill Act funds.²⁰

When viewed from an overall point the University received \$1,164,226²¹ from the Federal government in 1957 while its expenditures totaled \$10,626,665. Thus, with appropriations of \$328,594 from Hatch Act funds, \$253,081 from Smith-Lever funds, \$466,171 from Federal research funds, and \$105,755 from 1862 and other Federal land-grant funds, plus additional smaller amounts of

Table 1
LAND GRANTED TO ARIZONA FOR EDUCATIONAL
AND OTHER PURPOSES

PURPOSE OF GRANT	AMOUNT GRANTED ACRES
University	246,080.00
Public buildings	100,000.00
Penitentiaries	100,000.00
Insane asylums	100,000.00
Deaf, dumb, and blind asylum	100,000.00
Miners' hospital	50,000.00
Normal schools	200,000.00
Charitable, penal, etc.	100,000.00
Agricultural and mechanical colleges	150,000.00
School of mines	150,000.00
Military institutes	100,000.00
Payment of bonds issued to Maricopa, Pima, Yavapai, and Coconino Counties	1,000,000.00
Common schools, sec. 2 and 32, 16 and 36.....	8,093,156.00
Miners' hospitals (act Feb. 20, 1929)	50,000.00
TOTAL:	10,539,236.00

Source: *Annual Report of the Commissioner of the General Land Office*, Washington, D.C. June 30, 1930. (pp. 37-41).

Federal aid monies, total current fund income of Federal origin received by the University of Arizona came to slightly more than 10 per cent of its total expenditures.²² This is considerably lower than the percentage of funds received by all the land-grant colleges and universities compared to their expenditures where the ratio of receipts to expenditures is 24.6 per cent.

MAJOR EDUCATIONAL AID PROGRAMS

A fallacy often set forth is that which implies that the Federal government assumes a relatively large part of the educational bill. In effect this is a misconception clarified only by a study of the programs and monies involved. This is not to say that the programs of the Federal government are unimportant; on the contrary, allotments from the Federal programs have come to mean considerable in the overall educational picture of the several states. But, in the often recurring discussion of the subject many assume that Federal expenditures are of a far greater amount than they actually are.

At the present Federal funds are expended for education in Arizona in six major fields: vocational education, vocational rehabilitation, commodities and cash grants for the school lunch program, financial assistance for maintenance, operation and construction of school facilities in Federally impacted areas, and Indian education aid, (commonly referred to as Johnson-O'Malley Funds). These

20. *Ibid.*, Table 1, p. 46. This is of a total of 827 faculty members or about 25% of the faculty.

21. *Ibid.*, Table 15, p. 74, Table 16, p. 79.

22. *Ibid.*, Table 20, pp. 88-89.

Table 2
ACTS OF CONGRESS MAKING FEDERAL LAND-GRANTS
FOR STIPULATED TYPES OF EDUCATIONAL
INSTITUTIONS AND FOR COMMON SCHOOLS
ARIZONA

KINDS OF INSTITUTIONS SPECIFIED IN LAND GRANTS	ACTS OF CONGRESS
Universities or colleges	1881, 21 Stat. 326 1896, 29 Stat. 90 1910, 36 Stat. 557
Normal schools or teachers colleges	1896, 29 Stat. 90 1910, 36 Stat. 557
Agricultural colleges and experiment stations	1862, 12 Stat. 503 1864, 13 Stat. 47 1866, 14 Stat. 208 1883, 22 Stat. 484 1926, 44 Stat. 247
Industrial and reform schools, etc.	1910, 36 Stat. 557
Asylums for deaf, dumb, blind, etc.	1910, 36 Stat. 557
Military institutes	1910, 36 Stat. 557
Schools of mines	1910, 36 Stat. 557
Common schools	1896, 29 Stat. 90 1906, 34 Stat. 267

Source: Bulletin #8, 1930, Office of Education, United States Department of Interior, 52p.

Table 3
FUNDS OF FEDERAL ORIGIN
RECEIVED BY THE UNIVERSITY OF ARIZONA
FISCAL YEAR ENDING JUNE 30, 1957

SOURCE	AMOUNT
From 1862 Land Grant Funds	\$ 16,630
From Other Federal Land Grant Funds	89,125
From Veteran's Administration for Tuition and Fees	19,639
Federal Research Funds	466,171
Other Federal Grants and Payments	15,264
FEDERAL APPROPRIATIONS	
Smith-Lever Funds Act of 1914 Amended	253,081
Extension under Agricultural Marketing Act	-0-
Research Under Agricultural Marketing Act	4,000
Hatch Act Funds as Amended.....	328,594
Morrill-Nelson & Bankhead-Jones Acts	77,477
Funds of Federal Origin—TOTAL	\$ 1,269,981
University Expenditures	
All Funds—TOTAL	10,626,665
% Federal Funds to Expenditures	11.9%

Source: U.S. Department of Health, Education and Welfare, Office of Education, *Statistics of Federal Land-Grant Colleges and Universities: Year Ended June 30, 1957*; Table 21.

are all programs separate from the agricultural grants discussed earlier and operated out of the office of the Superintendent of Public Instruction of the State of Arizona. For the fiscal year 1960-1961 these six programs totalled \$11.5 million out of a total expenditure on public elementary and secondary education of \$119.5 millions.²³.

23. *Annual Report of the Superintendent of Public Instruction, State of Arizona, Fiscal Year 1960-1961*, pp. 15-19 and 223. Hereafter cited as *S.P.I. Report, 1960-1961*.

7
LIBRARY AND ARCHIVES
ARIZONA

VOCATIONAL EDUCATION

Federal assistance in the field of vocational training and education began in 1917 under the provisions of the Smith-Hughes Act which stated in its title:

An Act to provide for the promotion of vocational education; to provide for cooperation with the states in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the states in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure.²⁴

Basically the act provides for an appropriation available on an annual basis to the states. The various allotments to the several states are on the basis of population in relation to the total United States population. In particular these appropriations include:

(1) \$3 million for salaries of teachers, supervisors, and directors of agricultural subjects allotted to the states in the proportion which the rural population of each state bears to the total rural population of the United States; (2) \$3 million for salaries of teachers of trade, home economics, and industrial subjects allotted to the states in the proportion which the urban population bears to the total population of the United States; and (3) \$1 million for training teachers of vocational subjects allotted to the states in the proportion which the total population bears to the total population of the United States.²⁵

In addition to the amounts provided by each of these three provisions a minimum of \$10,000 is allocated to each state annually for each of the above purposes. The programs are relatively flexible in that classes may be day, evening, or part time and attended by young people of school age or older employed persons. But, regardless of these adaptable features numerous standards must be met.

In 1917 Arizona, by an act of the Legislature, passed an act of assent to comply with the provisions of the Smith-Hughes Act.²⁶ This must be done by each state or territory which desires to participate in the benefits of the Act.²⁷ Further, the State Treasurer is to be appointed by the state as custodian of any Federal funds appropriated under the Act²⁸ and a State Board for Vocational Education must be created. Unlike most of the other Federal aid programs vocational education is one of the few which requires a receiving office on the state level for administration. The state board must prepare plans for the use of vocational education funds, including Federal, state, and local funds, and an annual report must be submitted "... showing how the funds were used and what was accomplished."²⁹ The United States Office of Education of the Department of Health, Education and Welfare, administers all provisions and requirements of the act, and assures, through its approval, that qualifications of teachers meet minimum standards.³⁰ In addition, minimum standards must be met for plants and equipment, amounts for maintenance of vocational education in schools or classes, and minimum requirements for student teachers. These are all carefully checked through annual audits and inspections to insure compliance with Federal provisions.

24. 39 Stat. 1916 929.

25. Commission on Intergovernmental Relations, *Study Committee Report on Federal Responsibility in the Field of Education* (Washington: U.S. Government Printing Office, 1955), p. 29.

26. Laws of Arizona, 1917, Ch. 44, p. 58.

27. 39 Stat. 1916 931.

28. 39 Stat. 1916 935.

29. Commission on Intergovernmental Relations, *op. cit.*, p. 30.

30. 39 Stat. 1916 934.

Statutes pertaining to vocational education require that each Federal dollar must be matched equally from state and local sources.³¹ In 1953 the ratio of Federal funds to state and local funds was 1:4.2, the largest being 1:10.5 in Massachusetts and the lowest being Nevada with 1:1.3³² Arizona today shows a ratio of 5.5 dollars matched against each Federal dollar.

All of the funds allotted to the states for vocational education are not a result of the Smith-Hughes Act alone. Additional funds were authorized by the George-Reed Act of 1929, the George-Ellzey Act of 1934, the George-Deen Act of 1939, and the George-Barden Act of 1946. It is the latter act, the George-Barden Act, referred to as the Vocational Education Act of 1946, which, today along with the original Smith-Hughes Act, comprises the operating provisions for vocational education and provides increased appropriations and further development in this field of education. Similarly, the Eighty-fourth Congress enacted Public Law 911 providing for the extension and improvement of practical nurse training.

In Arizona the vocational education program falls into seven categories: vocational agriculture, home economics, distributive education, practical nurse training, technical training, trade and industrial education, and guidance. Training projects and classes are devised in the local school districts, often with the assistance of the state staff, and the plans or proposals for these programs are included in the state's overall plan and annual budget. Hiring of personnel is done by the local school districts and in order to implement strong development of the program the state staff has done a fine job in keeping teachers in the vocational area abreast of new developments in various phases of vocational training.³³ It should be realized that the primary responsibility of the program's development lies with the state aiding and cooperating with the local school districts. This includes the setting of standards on certification by the state.

Enrollment-wise, 1960-1961 saw 27,859 students taking advantage of vocational training as compared to 24,956 the preceding year.³⁴ Of this total 15,231 were registered as all-day students and 12,628 were out-of-school youth and adults. To conduct a program for these students one hundred and three full-time and one hundred and twenty-nine part-time guidance people were employed in seventy-two of the ninety-two high schools in Arizona. Examining a breakdown of these schools it will be found that one school offered a complete vocational education program of six services, while at the same time only one school offered five services and one other offered four. Referring to the ninety-two high schools in the state, thirty seven had one service in their vocational educational program and twenty-seven had two vocational programs. Three services were offered in five schools. The various vocational programs were offered in schools as follows:

Vocational Program	Schools Offering Program	% of Schools Offering Vocational Ed.
Vocational Agriculture	33	46
Homemaking	66	92
Distributive Education	6	8
Trade and Industrial Education	9	12
Practical Nursing	2	3
Technical Education	3	4

31. 39 Stat. 1916 933.

32. Commission on Intergovernmental Relations, *op. cit.*, Table 7, p. 125.

33. *S.P.I. Report, 1960-1961*, p. 11.

34. *Annual Descriptive Report, State Department of Vocational Education, State of Arizona, 1960-1961*, p. 1.

The overall program of vocational education is not limited to the classroom only. Phases of these varied educational areas carry the student into plants, retail establishments and onto the farm for practical training and experience. In virtually every field, considerable progress has been made from a continued growth in the Future Farmers of America to the establishment of an Arizona Distributive Education Club. Stores, manufacturing concerns, chambers of commerce, the state's institutions of higher learning, and a multitude of community groups throughout the state have all contributed to improve the effectiveness and furtherance of a broad vocational educational program. Particular mention should be made of the guidance services provided in the Arizona high schools. Not only is this service of importance in this state but equally so in every other when one recognizes the great number of students dropping from school. This service is specifically designed to aid each youth find and pursue that field which will do most in furthering his interests and abilities. In 1960-1961 Arizona employed 232 counselors in its high schools financed on a cooperative basis with Federal, state and local funds.

VOCATIONAL REHABILITATION

Although in the broad sense vocational rehabilitation might be classified as a division of welfare, it is included in this study under education since the Arizona Vocational Rehabilitation office works very closely with the state educational office.

Table 4
RECEIPTS AND EXPENDITURES OF STATE AND FEDERAL
FUNDS IN VOCATIONAL EDUCATION FOR THE
1960-1961 FISCAL YEAR

<u>RECEIPTS</u>		
Federal—Smith-Hughes	\$ 41,364.00	
Federal—George Barden	145,891.03	
Federal—Practical Nurse Training	19,713.00	
Federal—Technician Program	50,564.00	
Federal—NDEA Guidance	115,352.02	
State Funds	<u>396,700.00</u>	
TOTAL RECEIPTS		\$769,584.05
<u>EXPENDITURES</u>		
Administration & Supervision		
Salaries	\$118,983.97	
Professional Services	1,928.91	
Travel—Out-Of-State	2,674.82	
Travel—In-State	14,041.86	
Current Expenditures	10,815.27	
Subscriptions & Dues	98.25	
Capital Outlay	<u>4,756.98</u>	
TOTAL ADMINISTRATION & SUPERVISION		\$153,300.06
Reimbursement to Schools for Vocational Training		<u>\$614,099.63</u>
TOTAL EXPENDITURES		<u>\$767,399.69</u>
BALANCE		2,184.36

Source: *Annual Descriptive Report of the State Director, State Department of Vocational Education, State of Arizona, 1960-1961*, page 3.

Legislation for vocational rehabilitation was originally passed in 1920 under the title of the "Vocational Rehabilitation Act of 1920," sometimes called the

Smith-Bankhead Act. Under later amendments and extensions authorizations were provided for annual appropriations for grants totalling \$1 million and in 1935, under the Social Security Act the program was made a permanent one with continuing annual appropriations. In 1943 the Social Security Act of 1935 was amended under terms of the Barden-LaFollette Act which provided for separate legislation relative to vocational rehabilitation. The plan operated under this law until 1954 when significant changes were made in the structure (grant-in-aid), grant formulas and administrative costs of the program. In Arizona the State Board of Vocational Education is designated as the supervising agency for the Vocational Rehabilitation Division and the State Treasurer "... custodian of monies received from the Federal government . . ." ³⁵ As originally set up, this act followed very closely the provisions of conditions, regulations and administrative procedures established in the Smith-Hughes legislation, and in the main this general plan is still in effect today.

The fundamental purpose of the vocational rehabilitation legislation is to promote a specific type of education as is indicated by the title of the act. As stated in the descriptive report on twenty-five Federal grant-in-aid programs this essentially means:

... to provide disabled individuals the necessary services and aids to enable them to engage in remunerative employment. Any individual who has a physical or mental disability which constitutes a substantial handicap to suitable employment, and who can reasonably be expected to become employable, is eligible to participate in the program. The particular services to be provided are determined on the basis of what the person needs to render him fit to engage in remunerative employment. ³⁶

Administratively, the nature of the vocational rehabilitation program is quite detailed. Approval of any state plan is based upon its meeting conditions as set forth in the act. The plan must have the approval of the Director of the Office of Vocational Rehabilitation who is responsible to the Secretary of the Department of Health, Education and Welfare; there must be state participation; standards and methods of the Secretary for the proper and efficient administration of the plan must be included in the state's plan, and various reports and budgets must be submitted as may be required by the Secretary of Health, Education and Welfare. Minimum standards of personnel and facilities are required by each state also, "... but the Secretary shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provisions." ³⁷ This does not mean, however, that the state has complete power to appoint anyone, regardless of ability. One of the requirements which must be adhered to in the submission of a plan for approval is that which requires each state to set forth in its plan "... the selection and recruitment policies necessary to ensure the selection and appointment of qualified personnel." ³⁸ In Arizona the State Director for Vocational Rehabilitation is M. W. Holdship and the Executive Officer is W. W. "Skipper" Dick, Superintendent of Public Instruction for the State of Arizona. The administrative operation of the entire office is Holdship's responsibility, although he is answerable to Superintendent Dick, the Division's Executive Officer.

35. See Arizona, *Revised Statutes, Annotated* (1956), Title 23, secs. 501-508 relative to State authorization of a Vocational Rehabilitation Division.

36. *Commission on Intergovernmental Relations, A Description of Twenty-five Federal Grant-in-Aid Programs* (Washington: U.S. Government Printing Office, 1955), p. 123.

37. *Ibid.*, p. 125.

38. *Ibid.*

Fiscally, the program is based on two methods: (1) Allotment criteria which provide for basic services to be made on the basis of population and per capita wealth, and, (2) matching by formula the basic support allotment. The states' ratios were set in 1954 and continued until 1959, during which time the states continued to match their base allotments. Starting with 1960, and continuing in 1961 and 1962, the "... ratio will be adjusted gradually to the matching ratio applicable to the portion of a State's allotment which exceeds its base allotment."³⁹ Presently, Arizona's basis with the Federal government is 64 percent-36 percent,⁴⁰ the State supplying the latter percentage.

Recognizing that the objective of this program is "... to provide any resident of Arizona, 16 years of age or older, who by reason of his physical or mental disability is unable to earn his living, the necessary rehabilitation services to make him employable and self-supporting . . ."⁴¹ it should be readily understood the immense scope which this might entail. Not only is the Vocational Rehabilitation Division responsible in providing services and equipment for those financially unable to provide for themselves, but necessary services such as counseling, diagnosis, vocational training and placement are provided with no requirement of a financial means test. For rehabilitation work during the fiscal year 1960-1961 the State appropriated \$163,160 while Federal government funds amounted to \$423,984, or a total of \$588,096.⁴²

In attempting to analyze what these appropriations meant in the way of services, it should be understood that the expense of the program covers visual disabilities, deafness, orthopedic deformities, arrested tuberculosis, cardiac and other physical and mental impairments. In 1960-1961 the State Division of Vocational Rehabilitation rehabilitated 440 persons in 149 different occupations.⁴³ These same persons, after placement in various jobs, were earning \$1,250,496 or an average of \$3,013 per person while the average cost per person for rehabilitation was \$516.

It should not be misunderstood that this is all that any case costs. According to M. W. Holdship, a cardiac case will cost the Division in excess of \$3,000, and taking fifty particular cases of the 440 mentioned, costs ran from \$1305 to \$5037 per case with a fifty case average of \$2166. These same cases ran anywhere from a minimum of seven months to a maximum of 100 months, averaging 28 months per case.

In the past several years the extension of vocational rehabilitation has taken place in various special programs. In Arizona this has meant the establishment of such centers as the severely handicapped center and the center for epileptics. These are fairly recent additions to the rehabilitation program, but in their being established the Federal government participates to a larger degree, based on conditions and certain stipulations. Furthermore, it is a safe assumption to say that in the future more of these special centers will be needed in Arizona. National figures, according to Holdship, point out that seven persons in every 1,000 need vocational rehabilitation, while Arizona needs are fourteen per 1,000. This is partially reflected in the fact that, while 731 active cases are being handled by the Vocational Rehabilitation Division, an additional 109 cases have been processed but work cannot proceed on them due to a lack of funds, and a backlog of 500 new cases cannot even be processed for the same reason. Com-

39. *Ibid.*, p. 128.

40. *S.P.I. Report, 1960-1961*, p. 18.

41. *Ibid.*, p. 19.

42. State Board of Vocational Education, Vocational Rehabilitation Division, *Budget Request, 1962-1963*, p. 3.

43. *Ibid.* Figures relative to earnings, wages and cost per person were compiled from the same source.

binning this with the fact that medical costs have increased approximately 50 per cent in the past six years and hospital costs 25 - 40 per cent in the same time, it is easy to understand why the Vocational Rehabilitation Division needs more funds to be appropriated by the State.

Table 5
STATE OF ARIZONA
DIVISION OF VOCATIONAL REHABILITATION
BUDGET ESTIMATES AND REQUESTS

Account Number 1-4-04-051-0600

RECAPITULATION	Actual Expenditures 1960-61	Approved Budget 1961-62	Requested Budget 1962-63
Federal Funds	\$423,984.17	\$408,384.00	\$450,562.00
State Appropriated Funds	163,160.00	162,500.00	185,000.00
Donation Funds	951.63	9,663.00	6,000.00
Total Funds	<u>\$588,095.80</u>	<u>\$580,547.00</u>	<u>\$641,562.00</u>
Total State Credits	\$ 57,112.32	\$ 59,500.00	\$ 60,000.00

STATE CREDITS ONLY WITH FEDERAL FUNDS EARNED

1. INDUSTRIAL COMMISSION

(Monies disbursed by Industrial Commission for Vocational Rehabilitation purposes)

\$ 53,214.64 \$ 55,000.00 \$ 55,000.00

EARNs FEDERAL FUNDS

\$101,036.26 \$ 95,726.00 \$ 95,726.00

2. EMPLOYERS CONTRIBUTION

(Monies disbursed by State for Employers Contribution OASI and State Retirement—State Share of 34.3%)

\$ 3,898.18 \$ 4,500.00 \$ 5,000.00

EARNs FEDERAL FUNDS

\$ 6,969.76 \$ 7,300.00 \$ 7,505.00

Source: Vocational Rehabilitation Division, State Board of Vocational Education, State of Arizona, Budget Request, 1962-1963. Page 4.

To administer a program of this kind of necessity requires a wide diversity of skills and cooperation. Despite the fact that a multitude of aspects must be considered before accepting a case, including medical, psychological, intellectual, employability, and program of treatment and training, Arizona's state-wide program employs only two supervisors, fourteen counselors, one full-time doctor and two part-time doctors. There is and has been an urgent need for additional staff members, but this need can only be filled through additional state appropriations to match the Federal funds which are available. This is evident by the fact that an additional appropriation of \$104,000 by the State would realize an additional \$180,000 in Federal funds, enough to make considerable inroads into the 609 cases awaiting assistance.

II

GRANTS-IN-AID, 1933-1950

INDIAN EDUCATION

Although Indian Education funds received from the Federal government have never been regarded as a major Federal aid grant, a brief analysis of this particular program will serve to show that Arizona receipts for the education of Indian children are, indeed, of a substantial amount.

As early as 1890 the Federal government began negotiating contracts with individual districts that provided financial assistance to schools which were attended by Indian children. Specifically, the need for this aid developed in some states due to tax exempt, Indian-owned lands, coupled with large numbers of Indian children within a school district that created financial burdens for which local funds were inadequate. By terms of the Johnson-O'Malley Act which became a law in 1934, the Secretary of the Interior was authorized to enter into contracts with states for the education of Indians. Public Law 874 enacted by the 81st Congress⁴⁴ and amended in 1958 provided further aid be made available to meet partial costs of normal school operation.

Essentially, Johnson-O'Malley funds are used as supplemental monies to Public Law 874, as amended, and state and county aid in providing equal educational opportunities to eligible Indian children attending public schools. Thus, these funds are actually used to pay ". . . that portion of the per capita cost for the eligible Indian student that would normally be paid by local district taxation."⁴⁵

As in other Federal grant-in-aid programs the state must have a plan which describes classifications of eligibility, certain standards must be met and in general, the plan must justify the need for assistance. With the approval of a state plan, annual contracts are negotiated between the State Board of Education and the Federal Bureau of Indian Affairs. During the fiscal year 1960-1961 Arizona received \$1,160,901.51 under Federal contract funds. Expenditures of these funds amounted to \$1,593,918.32, paid to 86 districts, two accommodation schools and eight counties.⁴⁶

The contract negotiated with Arizona was one of 14 which the Bureau of Indian Affairs negotiated in fiscal year 1960. In addition other contracts were negotiated with seven school districts in four other states. The Phoenix District, which includes Arizona and parts of Utah and Nevada, had 13,597 Indian children

44. 64 Stat. 1950 1100.

45. *S.P.I. Report, 1960-1961*, p. 17.

46. *Ibid.*, p. 18.

Table 6
INDIAN EDUCATION STATISTICS

RECEIPTS AND EXPENDITURES OF JOHNSON-O'MALLEY FUNDS, 1960-1961									
<u>RECEIPTS</u>									
Balance Forward, June 30, 1960									
Total Contract Funds									
(Contract No. 14-20-0450-3290)									
Total Peripheral Program Funds									
Total Receipts									
Total Funds Available									
<u>EXPENDITURES</u>									
County	Educational Services	Special Services	Lunches	OASI and St. Rtmt.	Co. School Fund	Peripheral Program	Total		
Apache	\$382,654.47	—0—	\$ 53,271.37	\$32,902.20	\$17,828.14	—0—	\$ 486,656.18		
Coconino	103,014.30	—0—	17,334.85	9,063.73	4,873.67	99,014.52	233,301.07		
Gila	27,555.23	12,510.00	9,842.10	4,117.98	2,569.50	—0—	56,594.81		
Graham	7,473.98	—0—	6,254.25	2,155.37	1,227.22	—0—	17,110.82		
Maricopa	31,770.72	6,675.00	3,811.84	—0—	—0—	—0—	42,257.56		
Mohave	7,649.22	531.00	3,853.15	1,676.51	908.33	—0—	14,618.21		
Navajo	142,607.94	—0—	10,621.10	9,355.54	*6,549.57	330,706.15	499,840.30		
Pima	15,762.78	—0—	—0—	—0—	—0—	—0—	15,762.78		
Pinal	33,384.15	**8,463.28	7,028.55	5,175.00	3,424.67	—0—	57,475.65		
Yavapai	6,764.17	—0—	1,712.51	—0—	—0—	—0—	8,476.68		
Yuma	26,808.09	**57,936.23	6,310.40	5,695.12	3,116.54	—0—	99,866.38		
TOTALS	\$785,445.05	\$86,115.51	\$120,040.12	\$70,141.45	\$40,497.64	\$429,720.67	\$1,531,960.44		
<u>Total Cost of Administration</u>									
Total Expenditures									
Balance Forward, June 30, 1961									
*Includes Tuition Paid to Flagstaff School District									
**Includes \$7,140.28 paid Casa Grande School District #4 under special contract in lieu of State and County Aid on children transferred from a Bureau of Indian Affairs School.									
***Includes \$15,761.23 paid to Parker School District #27 under special contract in lieu of State and County Aid on children transferred from Bureau of Indian Affairs School and \$37,900.00 to purchase busses to transport pupils.									
Source: <i>Annual Report of the Superintendent of Public Instruction, 1960-1961.</i>									

of all ages in schools in 1960. Of this total, 56.5 per cent were enrolled in public schools, 30.9 per cent in Federal schools, and 12.6 per cent in mission schools.⁴⁷

When allotments for Indian Education are viewed in relation to the entire Federal grants-in-aid to education, it is not easy to minimize their importance, for these funds amount to ten per cent of all Federal educational amounts received by the State of Arizona.

SCHOOL LUNCH PROGRAM

It may well be said that the School Lunch Program was a "depression baby," for Federal assistance in this area was initiated in 1933 as part of the emergency relief program. Two years later the disposal of surplus agricultural products was added to the program, and finally in 1946, under provisions incorporated in the National School Lunch Act, the program was permanently established through commodity donations and cash grants. The cash grants go for both the purchase of commodities as well as salary payments for those directly concerned with the program. Supporting the National School Lunch Act are two other Federal statutes: Section 32 of Public Law 320, 74th Congress, which specifies that purchases may be made "... for the purpose of removing surplus commodities from the market ..." and Section 416 of the Agricultural Act of 1949⁴⁸ which states that supplies of the Commodity Credit Corporation acquired under full-support operations may be donated in order to prevent spoilage. The School Milk Program was added in 1954 by an Amendment to the Agricultural Act of 1949, "... to increase the consumption of fluid milk by children in non-profit schools of high school grade and under."⁴⁹

Administered federally by the United States Department of Agriculture, the program has a three-fold purpose: (1) to safeguard the health of the nation's children, (2) to encourage consumption of agricultural products, and, (3) to prevent the waste and spoilage of food products acquired from price support operations. The multi-purpose nature of the program is handled in Arizona through the office of the Superintendent of Public Instruction, W. W. "Skipper" Dick, and all distributions of foods to public and private schools, institutions, missions and summer camps are handled through this office. So far as funds are concerned, these are limited to public schools which participate in the Class A (full meal) School Lunch and Special Milk programs.

In order to qualify for participation in this Federal-state-local program, a state is required to submit a plan of operation to the Department of Agriculture describing the framework, administrative organization, fiscal and budgetary aspects of the plan and what state funds are available. The plan is renewable at the discretion of the Department of Agriculture. Monthly reports of operation in adequate detail are further required and a provision for the withholding of payments to a state is contained in event of a breach of contract by either the state with the Federal government or by a local unit with the state.

As is often the case in programs of this type, a misunderstanding arises relative to the extent of control over the State agency by the Federal government. Although a full discussion of control will be covered later, suffice to say that many of the programs in the educational field have provisions in the law prohibiting control at the Federal level. There is, however, a requirement that

47. U.S., Department of the Interior, Bureau of Indian Affairs, *Statistics Concerning Indian Education, Fiscal Year 1960* (Washington: U.S. Government Printing Office, 1960), Table 2, p. 11.

48. 68 Stat. 1949 1058, S. 416.

49. 68 Stat. 1954 899, S. 204 (b).

adequate personnel be provided for the administration of the program. This applies in the case of the School Lunch legislation.

Since this program is based on two types of allotments, cash and commodity, the allotment criteria and matching requirements vary. Cash grants are based on the number of school children (ages 5-17) and inversely with the state's per capita income, while commodities purchased under the 1946 act go to schools which have signed school lunch agreements and are distributed proportionately to the number of children served complete or part meals. Matching ratios for cash allotments were established at 1:3 from 1956 on, but in every state the matching funds are in excess of the requirements.⁵⁰ Matching is not required against commodities.

Fiscally, the Secretary of Agriculture reported in the 1960 Annual Report that participating schools purchased \$540 million worth of food in local markets for the 1959-1960 school year, while, of this amount, \$93.8 million or 17.3 per cent was appropriated by Federal funds with the balance coming from State and local sources. This was exclusive of commodity grants donated by the United States Department of Agriculture. In addition, 4.5 billion half-pints of milk were consumed by children in 83,000 schools under the Special Milk Program and the National School Lunch Program.⁵¹

Table 7
STATE OF ARIZONA
LOCAL AND FEDERAL FUNDS
UTILIZED IN
SCHOOL LUNCH PROGRAM
1960-1961

COUNTY	TOTAL LOCAL	TOTAL FEDERAL	GRAND TOTAL
Apache	\$ 173,174.16	\$ 25,007.59	\$ 198,181.75
Cochise	255,648.52	45,651.32	301,299.84
Coconino	109,285.56	17,698.50	126,984.06
Gila	50,474.16	9,132.63	59,606.79
Graham	65,224.98	13,066.50	78,291.48
Greenlee	82,058.96	13,930.36	95,989.32
Maricopa	3,564,580.39	599,850.32	4,164,430.71
Mohave	52,834.27	8,598.98	61,433.25
Navajo	108,375.04	16,884.82	125,259.86
Pima	1,412,793.16	192,216.07	1,605,009.23
Pinal	323,727.56	50,463.23	374,190.79
Santa Cruz	2,484.75	2,484.75
Yavapai	99,421.01	20,173.59	119,594.60
Yuma	383,105.60	40,022.31	423,127.91
TOTAL	\$6,680,703.37	\$1,055,180.97	\$7,735,884.34

U.S. Department of Agriculture Commodities Shipped into Arizona
For Distribution by the State School Lunch Program, 1960-1961:

Total Wholesale Value\$1,564,911.27

Compiled from: *Annual Report of the Superintendent of Public Instruction to the Governor of Arizona, Fiscal Year 1960-1961*. pp. 20-22.

On a state basis, this can be broken down to illustrate the extent to which Arizona participated. Federal funds under the milk and lunch programs amounted to \$1,055,180.97 in 1960-1961 while other income (children's payment, dis-

50. Commission on Intergovernmental Relations, *A Description of Twenty-five Federal Grant-in-Aid* (Washington: U.S. Government Printing Office, 1955), p. 59.

51. *Report of the Secretary of Agriculture, Fiscal Year 1960* (Washington: U.S. Government Printing Office, 1960), pp. 43-44.

trict funds and other income) amounted to \$6,680,703.37.⁵² The districts throughout the State served 18,105,526 Type A lunches, \$643,180 reimbursement of which came from Federal funds. Overall, Arizona's participation in the School Lunch Program amounted to 86.4 per cent of the cost of the program with Federal funds supplying the remainder, 13.6 per cent. Again, this figure does not include the \$1,564,911.27 worth of commodities shipped into Arizona under distribution provisions of the program.⁵³

SCHOOL CONSTRUCTION IN FEDERALLY AFFECTED AREAS

Conceivably, the remaining fields of Federal aid in education could be dealt with together inasmuch as they are closely related. However, it will probably be clearer to the reader if they are broken down and handled as two separate programs, which, in effect they are.

Grants-in-aid fall into two categories dealing with federally impacted areas. The first deals with construction of school facilities; the second, described in the next section, deals with the operation and maintenance of schools in various areas. Although the historical background is quite lengthy where Federal provision for educational opportunities is concerned, it was not until 1941 that Federal financial assistance was provided for the construction, maintenance and operation of facilities on a community level.

In 1950 the 81st Congress enacted Public Law 815 which provided Federal assistance in the field of state surveying, planning and construction in federally affected areas. Public Law 874 dealing with Federal assistance in school maintenance and operation in federally affected areas was passed a week following the passage of Public Law 815. Both have been amended, Public Law 815 being tightened as to eligibility provisions and Public Law 874 modified as to provisions for current expenses.

Recollecting the tremendous build-up of military installations and industrial sites at the beginning of World War II, local communities were faced with having to provide services and facilities at an unprecedented rate. To cope with this situation, the Federal government assisted local government improvement of sewage systems, streets, schools and other numerous services necessary to the well being of the community. When Public Law 815 came into existence in 1950, it was for the purpose of dealing with areas that were federally affected or impacted. To assist these areas three factors were used as a basis:

(1) Federal ownership of property (which is tax exempt) reduces the local income for schools; (2) the Federal government has a particular obligation respecting the education of children residing on Federal property whose parents are employed on Federal property; and (3) Federal activity in a community may cause an influx of population for whom the community may be unable to provide adequate educational facilities and services.⁵⁴

Translated financially this meant that the Federal government would assume the responsibility of providing school facilities due to enrollment increases from Federal activity, and secondly, to reimburse school districts and agencies for monies expended for this reason. In pursuance of this legislation, Federal requirements have to be complied with relative to the preparation and

52. *S.P.I. Report, 1960-1961*, pp. 21-22.

53. See Appendix 11.

54. Commission on Intergovernmental Relations, *A Description of Twenty-five Federal Grant-in-Aid Programs* (Washington: U.S. Government Printing Office, 1955), p. 63.

submission of applications, eligibility has to be furnished to the United States Office of Education, and records are required to be maintained “. . . in a manner susceptible to audit by the Federal government.”⁵⁵ States are not required to furnish reports but Federal audits are employed to insure compliance with provisions of the law.

It is understandable that a law as broad as this would require certain supervisory provisions on the part of the Federal government. In general they are of a minimal character, such as contracts being let within ninety days following the approval of the project. Minimum pay standards must be met for workers on the project and the amount of entitlement is determined by the United States Office of Education in consultation with the state educational agency and is based on the “average per pupil cost of constructing minimum school facilities.”⁵⁶ As a matter of fact, the entire allotment criteria is computed from the number of children whose attendance results from Federal activity, and this coupled with the cost of construction above will generally provide the eligible assistance a state will qualify for.

The most difficult figure to ascertain is that implying “matching funds.” Generally speaking “matching,” as such, is not required but state and local funds are contributed to the program. Since this is a program dealing with federally impacted areas the assistance to any given state or locality will vary according to the degree of impact. Arizona’s participation in this program is illustrated by the fact that ten school districts qualified for allotments under Public Law 815 in the amount of \$2,549,075 during the 1960-1961 fiscal year.⁵⁷

Table 8
FEDERAL AID FOR SCHOOL CONSTRUCTION BY
COUNTIES AND DISTRICTS
FISCAL YEAR ENDING JUNE 30, 1961
PUBLIC LAW 815

COUNTY	DISTRICT	AMOUNT	COUNTY TOTAL
Apache.....	Chinle (24)	\$1,177,500	\$
	Window Rock (8)	22,300	1,199,800
Cochise.....	Buena (68)	76,230	
	Buena High School	156,233	232,463
Coconino.....	Flagstaff (1)	94,050	94,050
Graham.....	Ft. Thomas (17)	26,220	26,220
Navajo.....	Lakeside (16)	10,890	
	White River (20)	526,676	537,566
Pima.....	Indian Oasis (40)	441,750	441,750
Yavapai.....	Camp Verde (28)	17,226	17,226
TOTAL.....	10 Districts		\$2,549,075

Source: State Department of Public Instruction, Office of the Director of Research and Finance, Gus W. Harrell.

PUBLIC LAW 874

Not unlike Public Law 815, this phase of Federal assistance covers the maintenance and operation of schools in federally impacted areas. Most of the provisions of deciding eligibility are much the same as in Public Law 815. In order to qualify for assistance in this area school districts must show both a minimum increase in the number of students due to Federal activity and this increase must represent a stipulated percentage rise over the base average daily attend-

55. *Ibid.*, p. 66.

56. *Ibid.*, p. 67.

57. *S.P.I. Report, 1960-1961*, p. 17.

ance of 1950. This also applies to construction and planning of new schools under Public Law 815.

Similarly, as under "815", the amount allotted to a state, relative to the above student increase, is based on categorizing students in three groups, "A", "B", and "C". The three classifications depend on the extent to which parents of children live and work on Federal property and payments are made on a decreasing percentage scale, depending on the category. In general then it can be said that Federal payments to a district for operation and maintenance is based on the number of children whose school attendance is a result of some type of Federal activity.

In fiscal year 1960-1961 Arizona had 114 districts applying for financial assistance under Public Law 874. Of these 114 districts, 110 were found to be eligible and subsequently received aid in the amount of \$4,467,121. It will be noted in Appendix 13 that reported expenditures under Public Law 874 are approximately \$400,000 under the above figure. This is mainly due to the fact that the final calculation of assistance due a district is determined from the final report submitted after the close of the school year. Thus a portion of the assistance is paid the following year and shows up on the expenditure balance as an overage or shortage in relation to the entitlements.

In assessing the need of both Public Law 815 and 874 most comment is of the nature that the situation has been the result of Federal activity and it is, therefore, the responsibility of the Federal government to assist in its solution. There seems to be small doubt but that affected or impacted school districts, in most instances, would be unable to carry the burden caused by this impact. Presently the program is being administered through the 1958 Amendment, Public Law 85-620.

OTHER PROGRAMS AND METHODS OF PAYMENT

It would be extremely deceiving to draw the line at this point and convey the idea that the Federal assistance programs discussed are the extent to which the Federal government enters the field of education. Likewise, to assume that monies expended or allotted to the states are simply handed over to be done with as the States see fit is an erroneous presumption.

All in all, as of 1959, there were 137 programs of Federal aid for education.⁵⁸ Granted, many of these programs are of a minor nature and apply to only a few areas, they are nonetheless part of the whole program. There is little to be compared when one takes Public Law 874 which costs tens of millions of dollars per year and compares it to the Practical Nurse Training Program under Indian Health Education which costs about \$180,000 per year.⁵⁹ The same may be said about the American Printing House for the Blind, leprosy patient education, meteorological education and training, administration of state maritime academies, the education of children of National Park Service employees, and many others.⁶⁰ Yet all of these educational aids perform a service for those involved and in many, and probably most, instances education which otherwise would not be had.

Although it is not simple to classify the method of payment to the several states for any of the Federal educational programs, Federal legislation has provided for money to be:

58. U.S. Department of Health, Education and Welfare, *Federal Funds for Education* (Washington: U.S. Government Printing Office, 1959), p. 5.

59. *Ibid.*, p. 11.

60. *Ibid.*, p. 11-14.

Table 9
FEDERAL AID TO SCHOOLS IN FEDERALLY IMPACTED AREAS
IN ARIZONA, FISCAL YEAR 1960-1961; PUBLIC LAW 874

COUNTY	Elementary Schools Partici- pating & Amount	High Schools Participating & Amount	Districts Receiving \$0-25,000	Districts Receiving \$25,000-50,000	Districts Receiving \$50,000-100,000	Districts Receiving Over \$100,000	County Total
Apache	6 \$ 611,432	1 \$ 51,187	1	2	1	3	\$ 662,618
Cochise	7 347,257	5 145,596	9	—	1	2	492,853
Coconino	5 510,934	3 45,562	3	2	1	2	556,496
Gila	4 108,458	—	2	1	1	—	108,458
Graham	2 29,725	1 10,144	3	—	—	—	39,868
Greenlee	—	—	—	—	—	—	—
Maricopa	11 331,015	5 115,205	10 ¹	5 ¹	1 ¹	—	446,220
Mohave	4 31,086	1 6,500	4	1	—	—	37,586
Navajo	10 194,244	3 62,346	10	2	—	1	256,590
Pima	6 646,936	4 323,611	7	1	—	2	970,547
Pinal	5 53,976	3 24,962	7	1	—	—	78,938
Santa Cruz	3 8,374	2 6,737	5	—	—	—	15,111
Yavapai	3 29,574	2 16,560	5	—	—	—	46,134
Yuma	5 268,400	2 88,742	3	2	—	2	357,202
	71 \$3,171,471	32 \$897,153	69	17	5	12	\$4,068,624 ²

¹ Do not include Accommodation Schools; their amounts are included in total elementary, high school and county total.

² Difference between this figure and total of \$4,467,121.37 probably due to payment(s) to district(s) and not reported by June 30, 1961 Report.

Compiled from: *Annual Report, Superintendent of Public Instruction, State of Arizona, Fiscal Year 1960-1961*, District and State Summary "A", pp. 39-124.

(1) Allotted on the basis of **land areas**; (2) distributed in proportion to **population** figures; (3) awarded to the states as **flat grants**; (4) given on condition that **matching funds** are provided from state and local revenues; (5) provided as the **cost of an educational program** or of operating a school; (6) apportioned to meet a Federal obligation such as **payments in lieu of taxes** on federally owned property; (7) allocated as **equalization aid** to provide greater assistance to the financially weaker areas; (8) paid to cover the **cost of tuition** and of other educational expenses of individuals; and (9) granted in accordance with **contracts** for services on research programs in various colleges, universities and industries.⁶¹

Not to be overlooked, and also an important element is the fact that allotments have been made for both general and specific purposes. This can readily be recognized in distinguishing between vocational education and early 19th Century grants made for common school support. To go one step further: distribution of funds has also gone from one specific grade level such as the common school to college level under the Morrill Act. Today there are programs for virtually every level of education from elementary through post-university fellowships and from part-time level to full-time adult programs. As a matter of fact, during the emergency of the Thirties the distribution was even provided for nursery and kindergarten levels.

61. *Ibid.*, p. 5-6.

III

IMPACT ON THE OFFICE OF GOVERNOR, LEGISLATURE, AND STATE ADMINISTRATION

Federal grants-in-aid have, without doubt, a certain effect on the overall coordination of executive planning and responsibility. However, this effect does not stem from the programs of grants themselves, but rather from the very nature of the executive department in Arizona's state government organization. Arizona does not have an integrated state administration. Constitutionally, the State Executive Department, other than the Governor, consists of the Secretary of State, State Auditor, State Treasurer, Attorney General and Superintendent of Public Instruction as elective officers. With what may be termed a plural executive, it is difficult therefore to determine exactly what impact Federal grants have on the Governor's office. The numerous officers provided for in the Constitution exert a considerable independence in the administration of their offices.

In addition to the basic weakness of a lack of unity in the Executive Department Arizona has a great number of statutory agencies, the existence of which splits even wider the division of executive responsibility. Many of these agency members' terms run for the same period of time as does the Governor's term, but most are overlapping, causing a further cleavage in the development of responsible statewide programs. Granted, the pattern of appointment and terms to these agencies is not uniform, this type of administration in Arizona's Executive Department weakens the entire executive direction of the state government.

Through the years since statehood in 1912, numerous efforts have been made toward administrative reorganization on the State government level. Probably the best remembered of these was the Griffenhagen Report of 1949-1950. Viewed in a broad perspective, none of these efforts have resulted in any type of genuine administrative reorganization. While it would be impossible within the scope of this short study to enumerate the many reasons for reorganization failures, certain credence must be given to charges of politics, provincialism and personnel changes. No doubt these shall occur again should reorganization efforts break out in the future. There is no evidence that problems or the administration of Federal grant-in-aid programs have played any

significant part in efforts towards reorganization, nor is there any feeling that Federal grant programs have acted as deterrents to reorganization. From the standpoint of Executive Department reorganization, it has been noticeably absent in any degree since the early 1950's and the past decade has produced the greatest amounts of Federal grant funds.

It is not easy to assess the effect of Federal grant programs on the Governor's office unless one examines the feelings of those throughout various departments of the State government. One of the most explanatory statements by Arizona's Governor, Paul Fannin, was issued in August, 1961, regarding the Governor's views on Federal aid for education. This three and one-half page statement has been the most concise attitude expressed as of recent months and deals primarily with provisions incorporated in HR 4970, the Federal Aid for Education Bill considered by the last session of Congress. But the Governor's office does not feel there is any point in discussing the pros and cons of Federal grant programs in general, since they have been established and the state must adjust itself to work with them.

There can be little doubt that programs as vast as the Federal grant programs have some effect on the workings of the state administrative machinery. Personnel must be hired, the audits, reports, project plans and numerous other requirements must be adhered to, and this has a direct effect on hiring policy and procedure. This is particularly true where employment on a merit system basis is required as in the Departments of Health and Public Welfare, the Employment Security Commission and, as of September last, the Office of Civil Defense. In addition, the interweaving and complexity of these programs on governmental operation shows considerable cooperation among various departments at the state level. How much of this is due to the merit system or program interrelationships, or even governmental-private agency coordination and cooperation, is not easily pinpointed. In most cases observed, where administration is concerned, the various departments at the state level have adjusted to a very satisfactory degree. The question which arises in respect to personnel and policy is whether or not similar standards would persist if Federal requirements were lifted. Considering the fact that the State of Arizona has been unsuccessful in installing a statewide merit system in the past, there is valid evidence that the question raised is worthy of some consideration.⁶²

THE LEGISLATURE AND POLITICAL ASPECTS

Responsible program administrators and personnel in numerous state departments have commented that the State Legislature is very conscious of Federal grant-in-aid funds. This is not a recent recognition, and numerous examples may be cited where like feelings have prevailed for many decades, both in the Legislature and the Governor's office.⁶³ It does not mean, however, that the State has accepted, without reservation, any program which has come along.

For various reasons, there are programs of Federal grants-in-aid which the State has not approved or no longer is a part of. Notably among these is the Aid to the Permanently and Totally Disabled, Crippled Children Services and Urban Renewal programs. Add to these the number of programs on the state level which are not receiving all possible Federal funds available and a sizable

62. U.S., General Accounting Office, *Review of the Federal Aid Highway Program, Region 7* (Washington: U.S. Government Printing Office, 1958), Arizona section.

63. An examination of messages of the Territorial and State gubernatorial messages to the Legislature from the late nineteenth century to 1950 will point this up. In addition, numerous department officials stated that the Legislature acts virtually automatically when funds are needed for matching Federal grants-in-aid.

total accrues. Virtually no department administrative personnel attributes this non-participation to political lobbying. The general consensus is that lobbying activities are very isolated where Federal grants are involved. This does not hold true where personalities, local issues and friendship enter the picture. These factors, as in many states, often prove stronger than party lines.

In the field of education, legislative committee approval is, in most instances, fairly automatic. Most members of the Education Committee are cognizant of the effect which Federal funds have had on the state and favor them.⁶⁴ As with any program, governmental or business, a certain amount of supervision and regulation is necessary. The crux of the Federal education grants is the fear that this supervision will lead ultimately to control, a fear which, according to most high department officials, is groundless. What is of far greater significance is the total effect that the grant programs have had on the Legislature itself. This can best be pointed out in examining the recognition of responsibility which the Legislature has assumed in its dealings with various state agencies.⁶⁵ The members of the Legislature may not be fully aware of the complexity of these broad programs but they have, through committee meetings, discussions and conferences, come to recognize the intricacies of the system and the competent manner in which department heads use Federal funds in their departmental operations.

This places the whole discussion of impact on a very broad basis where legislative effect is pertinent. Although in most instances state appropriations are made available for matching Federal funds without too great amount of debate, the educational process has been very good in stimulating legislators' knowledge and acquaintance relative to the Federal grant system. This has resulted in a responsible consciousness as to the use of Federal funds and, in addition, state appropriations have been wisely made to correlate with the complete fiscal program of the various departments.

64. Interview with Representative L. Alton Riggs, member Education Committee, Arizona House of Representatives.

65. Interview with Majority Leader Bill Stephens, Arizona House of Representatives.

FEDERAL CONTROL OR FEDERAL COOPERATION

In March of 1961 the General Subcommittee on Education of the House Committee on Education and Labor conducted testimony on H.R. 4970 which authorizes programs of Federal aid assistance to the states in the area of education. These hearings were of much the same temper as those held on other occasions when Federal aid to education was before the committee for consideration. There were those testifying who were adamantly in favor of such aid, just as there were the unalterably opposed. None of the proceedings were particularly new in character as the following will illustrate, a remark which is now 22 years old:

I can see no reason why the doctrine should be accepted that the distribution of federal money to the states necessarily carries with it the control of education by the central government. . . . In rare instances federal legislation has definitely provided for control by a federal agency. In many areas of the country in which funds from the federal government have been made available to the states there has been a requirement that a plan for the conduct of the services supported by federal appropriations be submitted by the state authority to federal officials as a preliminary step before funds are allocated. . . . So long as the requirement of the submission of plans results in effecting the purpose of the federal grant, and does not lead to controls in the organization of schools, I can consistently support this procedure.⁶⁶

Yet, in that same year the very opposite point of view could be heard which we hear again today:

We cannot undertake to subsidize our public schools out of the federal treasury and still leave the schools free of the taint of federal control. Federal domination of education will be the ultimate and, in my opinion, the inevitable consequence.⁶⁷

In testimony during the 1961 hearings Roger A. Freeman, research associate at the Institute for Studies in Federalism at Claremont, California Men's College, stated:

The crucial issue may well be a power struggle over the control of the schools between the organized profession and the lay public. Federal funds would strengthen the hand of the educational bureaucracy and weaken the veto power of the communities.⁶⁸

⁶⁶ U.S., *Congressional Record*, 76th Cong., 1st Sess., 1939, XXCIV, Part 12, 8177-78.

⁶⁷ U.S., Congress, Senate, Committee on Labor and Education, *Minority View on S. 1305*, Report No. 244, Part 3, 76th Cong., 1st Sess., 1939, p. 6.

⁶⁸ U.S., Congress, House, General Subcommittee on Education of the Committee on Labor and Education, *Hearings on HR 4970, Federal Aid for Education*, 87th Cong., 1st Sess., 1961, p. 249.

Yet, while the opponents of Federal aid speak out about the dangers of control the advocates point up that other programs in the past have not shown control to be exercised as is illustrated in this testimony by the Legislative Chairman, National Congress of Parents and Teachers:

. . . I think you might be interested to know that our membership is well aware of the fact that we have been receiving Federal aid for many years.

Our units throughout the country have appreciated the fact that the money for vocational home economics and agriculture, for example, we have been using for many years with no complaints, so far as I know, about Federal control.

Nor have there been complaints, so far as our organization has received them, of any Federal control with this money for impacted areas, or for the Library Services Act and National Defense Education Act, and so on.⁶⁹

Probably the most logical question to be raised in this area of control is that put forth by Arizona Superintendent of Public Instruction, W. W. "Skipper" Dick, when he asks "Control of what?" Do we mean control of curriculum, audits, plans, reports, construction, or salaries or any of the many other aspects of the programs? To answer the "control" element the area should be defined. Secondly, the extent of control other than area, must be ascertained; full control or partial control of any area under consideration. This is, it seems the crux of the whole problem, or possibly the point most feared by the opponents of Federal aid to education.

Superintendent Dick, a strong opponent of curriculum control, believes that if there is going to be aid there, of necessity, will be a certain amount of regulation, but this is no different in education than it is in any other legislation, Federal or state, where appropriations are made. No government, nor business for that matter, is going to hand out money to its administration or employees without regulation of a sort. This, to many people, leads into the consideration of another element. Is it actually control which is being bandied about, or is it regulation, administrative nuisances and supervision? Each side most assuredly has its arguments pro and con on the subject, but so far no concrete definition of "control" has been offered except in general terms. Superintendent Dick does not believe that "control" is prevalent in the educational programs as they are established today. An examination of testimony in the hearings on President Kennedy's education bill echoes these sentiments.

Apart from the State of Arizona, it might be well to look at what President Eisenhower's White House Conference on Education defined as "control." This group viewed Federal control as ". . . those Federal influences which directly influence the teaching situation, where the pupil and teacher come together and where the learning occurs."⁷⁰ If this is used as a guidepost, most opponents and proponents alike should agree that Federal control has been virtually nil.

It is a bit difficult to separate the past and what-might-be in this analysis of the control element. Most of the opponents today are greatly concerned about a general aid to education bill and it is this type of legislation which they feel has all the earmarks and possibilities of control. But, regardless of the political spectrum of the various groups who are in opposition to educational

69. *Ibid.*, p. 457.

70. *Ibid.*, p. 124.

aid, it may be safe to assume that most of them are not as afraid of controls being brought into present programs as they are of the future. To use Governor Fannin's definition: The present aid programs in education are not aid, but rather responsibilities of the Federal government. If treated in this light the question of control is, by itself, of little fundamental value for the programs have thus evolved into areas of Federal cooperation. But let it be thoroughly understood that should this attitude become the accepted public premise, a greater controversy than "control" would in all probability come to the fore, namely, is there such a thing as Federal aid or are all these programs cooperative Federal-state-local ventures?

Fiscally speaking, the total amount of educational grants-in-aid relative to the whole expenditure is of a minor nature. Yet, it is a very important lesser part. Programs which are recognized today as being of considerable significance to the state's educational operation would flounder without this aid. And more important, there is no assurance that the State of Arizona could raise the necessary \$12 million to offset the discontinuance of these funds. In the competitive market in which all states exist today, any adverse tax hike is going to react in the same way upon the state. This has been more than exemplified in the industrial development competition in nearly all the states.

In general, criticism may be made of any aid program where regulation or supervision concerns itself. But just as generally, the public would oppose such programs if there were no regulatory provisions, for it is through these conditions that a distribution of expenditures is achieved. On the whole, Arizona has not been adversely affected from regulatory or supervisory aspects. Having discussed briefly in a previous section the organization of the Executive Department, we can understand that basic weaknesses in the organization of the state executive branch often leads to the administration of departments and activities independently of the governor. Much of this administration is handled by competent staffs, well versed in the program concerned, and familiar with regulatory provisions needed to carry the program out to its fullest extent. This is not to say that administrative disorganization of executive processes is desirable, but rather to recognize the lack of coordination in overall executive planning and responsibility and understand how this can hinder effective statewide planning.

With decentralized state governments such as Arizona's it is remarkable that cooperation exists to the extent that it does. The field of education shows every promise of continuing a well-coordinated inter-divisional dependence for the operation of our state educational program.

Table 10
EXPENDITURES BY COUNTY FOR PUBLIC ELEMENTARY
AND SECONDARY EDUCATION, STATE OF ARIZONA
FISCAL YEAR 1960-1961

Apache	\$ 2,715,082
Cochise	5,870,633
Coconino	3,399,871
Gila	2,558,039
Graham	1,247,950
Greenlee	1,420,405
Maricopa	59,284,711
Mohave	775,203
Navajo	2,941,312
Pima	24,430,629
Pinal	5,912,019
Santa Cruz	907,725
Yavapai	3,110,953
Yuma	4,920,267
TOTAL	\$119,494,800

Source: *Annual Report, Superintendent of Public Instruction, State of Arizona, Fiscal Year 1960-1961.*

Table 11
MAJOR PROGRAMS
FEDERAL AID FOR EDUCATION
1960-1961
STATE OF ARIZONA

Johnson-O'Malley Funds	\$ 1,160,901.51
School Lunch Funds:	
Commodities at a wholesale value of.....	1,564,911.27
Lunch and milk reimbursement.....	1,055,180.97
Public Law 874, Federal financial assistance for maintenance and operation of public schools.....	4,467,121.37
Public Law 815, Federal funds reserved for construction of school facilities in the public school systems of Arizona....	2,549,075.00
Vocational Education Federal Funds.....	372,884.05
Vocational Rehabilitation Federal Funds.....	433,792.00
	\$11,627,682.12

Source: Office of the Superintendent of Public Instruction, State of Arizona.

CONCLUSION

In analyzing and evaluating grants-in-aid to Arizona in the educational field numerous programs have been examined to illustrate their operation and plan.

The question thus presents itself: Can the overall program of Federal aid in the area of education be dispensed with? Viewing the entire program the answer must be in the negative. In arriving at this conclusion no idealistically formed notion is used as a basis, but, rather, a fundamental approach based on the utility of the program is used as strength for the argument. Ever since early territorial days the numerous governors of Arizona have not been adverse to asking the Federal government for aid in various fields; perhaps not always in education but the aid philosophy has been present. After Arizona became a state the requests were continued as is shown in Governor B. B. Moeur's message to the 1933 Legislature when he emphasized that "... Federal Aid available to the several colleges should not be endangered."⁷¹ By and large when Federal aid has been offered the state has accepted it, and though some doubts are to be found, it is usually in the program itself rather than in the entire system of aid.

But the impact of Federal aid does not rest with the acceptance of the program or system. It has become so interwoven in our fiscal framework that to discontinue it would present many, if not most, state governments with extremely difficult decisions to make. This would certainly be the case in the field of taxation, for even though many of the states could perform some percentage of the function they are now performing with Federal assistance it would be, of necessity, drastically curtailed. It was pointed out in the previous section that state governments are in direct competition with each other and in today's economy this is of the utmost importance. Consequently, Arizona (as practically all the other states) would experience extreme difficulty in raising an additional \$84 million dollars, which was the amount paid to individuals and the State for fiscal year 1960.⁷² Educational aid alone in 1960-1961 was in excess of \$11 million.⁷³

So the essence of the program evolves down to recognizing a certain dependency in the aid programs, and for those advocating a reduction in this aid a more readily agreeable attitude in supporting an increased state taxation program must be developed. That is, if they recognize that the quality and quantity of education throughout the country is the concern of everyone in the nation.

71. Arizona, *House Journal*, 11th Legislature, (January 9, 1933), p. 19.

72. *Annual Report of the Secretary of the Treasury on the State of the Finances for Fiscal Year Ended June 30, 1960* (Washington: U.S. Government Printing Office, 1960), pp. 649-664.

73. See Table 11.

Table 12
SUMMARY APPROPRIATIONS FOR MAJOR FEDERAL
EDUCATIONAL PROGRAMS AND ALLOTMENTS TO STATES,
FISCAL 1961

	Federal Appropriations	Arizona Appropriations
U.S. Office of Education (Salaries and Expenses)	\$ 13,430,750	none none
National Defense Education Act	173,050,000	
Title II General Provision (no federal control)		200,250
Title III Loans to Students		none
Title IV Math, Sciences, & Modern foreign language		92,500
Title Va Fellowships		115,352
Title Vb Guidance, counseling, testing		26,641
Title VI Institutes in counseling		20,625
Title VII Language devepoment — teacher improvement		9,178
Title VIII Research, experiment in radio, TV, films		50,564
Title IX Science information, National Science Foundation		none
Title X Improvement of state's services, State Dept.		none
Vocational Education		
Smith-Hughes	7,161,000	41,364
George Barden	33,702,000	145,891
Title I		145,891
Title II Practical Nurse Training		19,713
Title III Technical Training		(50,564)
NDEA Guidance — both vocational and general		(115,352)
Federally Affected Areas		
Construction (P. L. 815)	63,392,000	2,549,000
Maintenance and Operation (P. L. 874)	187,310,000	4,467,000
Indian Education		7,000,000
Johnson O'Malley Act		(1,200,000)
Peripheral Dormitories Contract		(429,720)
Four Boarding Schools		(Balance
Eighteen Day Schools		of
College Tuition		7,000,000
Adult Education		dollars)
Land-Grant Colleges (fees from federal land assigned to Arizona for Land-grant colleges)		
Endowment Revenue	none	185,000
Morrill-Nelson, University of Arizona	11,950,000	77,505
Hatch Act (experiment stations and research)	35,553,000	423,964
Smith-Lever (agricultural extension service)	58,220,000	392,191
Library Service Grants	7,500,000
Education of Mentally Retarded (Fogarty-McGovern Act)	1,000,000	none
School Lunches	110,000,000	
Reimbursement		1,055,000
Commodities		1,564,911
Vocational Rehabilitation (civilian)	73,501,000	433,792
International Education Exchanges	25,705,000
National Science Foundation Contracts (National Science Foundation et al)	191,500,000	4,750,000
Atomic Energy Commission		
Navy, Air Corps, etc.		
	922,794,750	23,118,570

Source: Office of Vocational Education, State of Arizona.

Table 13
CHRONOLOGICAL SUMMARY OF AID TO EDUCATION

1777	Initiation of direct administration of educational programs, with instruction of military personnel, including schooling in mathematics.
1785	Commencement of aid to territories and later to states for education, by endowment of schools with public lands.
1787	Commencement of endowment of public institutions of higher education with public lands.
1800	First Congressional appropriation for books, which became the nucleus of the Library of Congress.
1802	Establishment of the first Federal institution of higher education—the Military Academy at West Point.
1804	Start of Federal provision for education in the District of Columbia.
1824	Establishment of the first Army special service school—the start of a large system now providing education up to college graduate level.
1845	Establishment of the Naval Academy at Annapolis—the second Federal institution of higher education.
1862	The first Morrill Act—initiation of Federal policy of aid to states for agricultural and industrial education, through land grants for colleges.
1867	Creation by Congress of a Federal “Department of Education”—now the Office of Education, serving education at all levels.
1874	Beginning of Federal aid to states for nautical schools, now degree-granting institutions—introduction of the principle of Federal-state “matching” of funds for education.
1879	Establishment of a Federal school for engravers—probably the beginning of formal inservice training of Federal civilian personnel, now including higher education at many institutions.
1890	The Second Morrill Act—introduction of a policy of Federal money grants for college instruction in specified subjects.
1893	Establishment of the Army Medical School.
1901	Establishment of the Army War College.
1915	Establishment of the Coast Guard Academy, as such—now a degree-granting institution.
1917	The Smith-Hughes Act—beginning of federal policy of promoting vocational education below college grade.
1918	Initiation of rehabilitation training for disabled veterans.
1919	Origin of policy of Federal surplus property disposal to educational institutions.
1920	Establishment of the Reserve Officers’ Training Corps at colleges and universities.
1920	Organization of the Graduate School of the Department of Agriculture.
1920	The Smith-Bankhead Act—initiation of the policy of Federal-state cooperation in vocational rehabilitation, including education, for persons disabled in industry.
1925	Establishment of the (contract) NROTC, similar to the Army ROTC.

- 1933 Establishment of the Federal Emergency Relief Administration, which supported various educational programs.*
- 1935 Establishment of the National Youth Administration, which gave part-time employment aid to college students.*
- 1936 Convention for the Promotion of Inter-American Cultural Relations—U. S. entrance into broad-scale international educational exchanges.
- 1937 Creation of the Civilian Conservation Corps, which provided vocational education.*
- 1937 National Cancer Institute Act—beginning of policy of granting public health service fellowships.
- 1939 The Civilian Pilot Training Act—provision for Federal cooperation with colleges in civilian pilot training.*
- 1942 Establishment of the Armed Forces Institute—offering high school and college correspondence courses.
- 1943 (Approximate) Establishment of the Army Specialized Training Program at colleges and universities.*
- 1944 Servicemen's Readjustment Act—providing unprecedented educational opportunities for veterans.
- 1946 The George Barden Act—strengthening Federal-state cooperation in vocational education.
- 1946 Establishment of the "Regular" Naval Reserve Officers' Training Corps—considered by some persons to be a full, Federal scholarship program.
- 1946 Atomic Energy Act—initiation of fellowship offerings by the Atomic Energy Commission.
- 1948 Smith-Mundt Act—establishing a broad program of international educational exchanges.
- 1949 Federal Property and Administrative Services Act—establishment of a broad policy governing surplus property disposal for educational, health, and civil defense purposes.
- 1950 Housing Act—origin of college housing loans program.
- 1952 Inauguration of the fellowship program of the National Science Foundation.
- 1954 Establishment of the Air Force Academy.
- 1956 Organization of the Air Force Institute of Technology as a degree-granting institution.
- 1958 Educational and cultural exchange agreement between the United States and the Union of Soviet Socialist Republics.
- 1958 The National Defense Education Act—establishing new Federal policies in education at all levels.

The above list of landmarks may guide the reader down the chronological trail of Federal policies in or affecting higher education. Each landmark gives the date of origin of a particular policy or program. The list is not inclusive, partly because a complete list would be lengthy and partly because some of the dates of origin have not been determined. Temporary or discontinued policies and activities are marked with asterisks.

Source: *The Federal Government and Higher Education*, Columbia University, 1960.

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